

The Legislative Fiscal Division

Presents:

Profile of...

Montana Arts Council

State of Montana



Agency Profile

Oct. 2008

This agency profile will discuss...

- structure and funding
- primary functions and
- historical expenditures

The profile also includes information on how decisionmakers can effect change in the agency's expenditures along with a listing of pertinent statistics. For an explanation of terms used in this profile, consult the "Background on the Agency Profiles" at: <http://leg.mt.gov/css/fiscal/default.asp>

General Fund Statewide Comparison
FY 2008 (In Millions)



Let's begin by putting the agency's size in perspective by comparing it to state government as a whole.

Total Funds Statewide Comparison
FY 2008 (In Millions)



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Section E
Education



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What the Agency Does

The Montana Arts Council is authorized by Title 22-2-101, MCA to assist public and private institutions with artistic and cultural activities. The council encourages participation in, and appreciation of, the arts. The council fosters interest in the state's cultural heritage, and expands state cultural resources. The council administers the Cultural and Aesthetic Project grants and makes recommendations to the legislature on arts related issues.

The Council's offices are located in Helena, Montana at 830 North Warren St, Helena, MT 59620



How Services Are Provided

The Montana Arts Council (MAC) provides these services through a structure consisting of one division with 7.00 FTE:

Promotion of the Arts

Grants funded through General Appropriations Act and offered to schools, artists, and cultural organizations include:

- Artists in Schools/Communities Grants
- Teacher Exploration in the Arts Grants
- Public Value Partnership Grants
- Professional Development Grants
- Opportunity Grants

Grants funded through Cultural and Aesthetic Trust

- MAC administers the Cultural and Aesthetic Trust grant program. Biennial grants for include projects in the arts, history, humanities, or other cultural mediums. Grant categories include Special Projects, Operating Support, and Capital Expenditures. Interest on the coal tax trust is used to fund the grants.
- Folk and Traditional Arts Master/Apprenticeship Program grants



Services and Programs—MAC offers a variety of services to artists in Montana. They include:

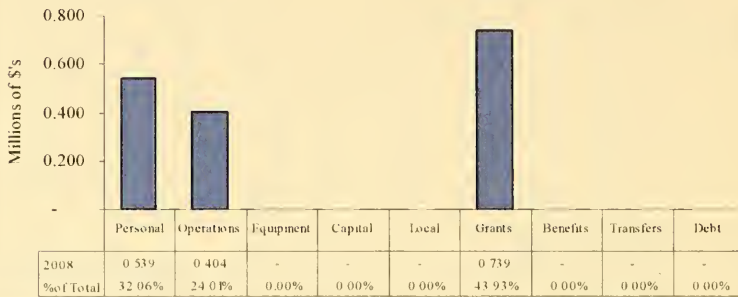
- Arts Education Artist Registry—the registry identifies professional working artists and touring organizations for the artist-in schools
- Arts Education Hotline—toll free hotline to get help concerning issues and information on arts education in Montana
- MAC's Leadership Institute—Professional development to arts leaders through workshops, initiatives, and consultation
- Entrepreneurial initiatives—training for individual arts focusing on marketing, sale, and legal issues
- Governor's Arts Awards—Biennial award to four Montanans for their distinguished service in the arts
- Montana Poet Laureate— Provides process for Governor to select the poet laureate every two years
- Percent-for-Art— acquires art for state buildings

Communication Services—MAC offers a number of communication methodologies for those interested in additional information on the arts in Montana. They include:

- Website Services
- State of the Arts newspaper
- Listservs
- Blog



Montana Arts Council History
All Funds FY 2008



How Services Are Funded

General Fund

- General fund is used to fund administration, legislative audit costs, and general art programs in rural schools and communities.

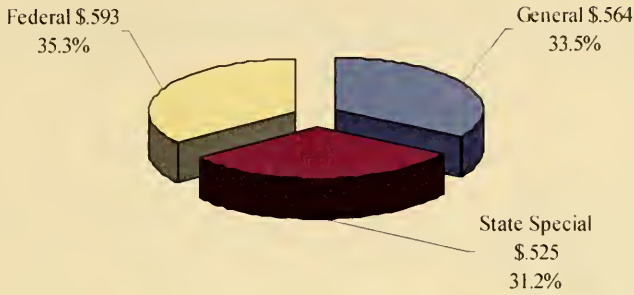
State Special Funds

- Interest earnings from the Cultural and Aesthetic (C&A) Trust Fund support C&A grants, related council costs, and the Folklife program
- Percent for Arts allocations from appropriations for construction of state buildings

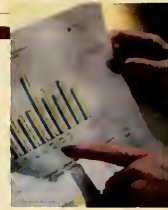
Federal Funds

- National Endowment of the Arts (NEA) is used to fund grants and related administration for specific art projects that meet certain qualifications or as established in the agency's funding application to the National Endowment for the Arts and as outlined in the agency's strategic plan.

**Montana Arts Council Funding by Source
FY 2008 (In Millions)**

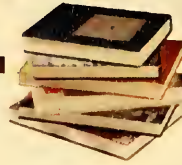


Related Data & Statistics

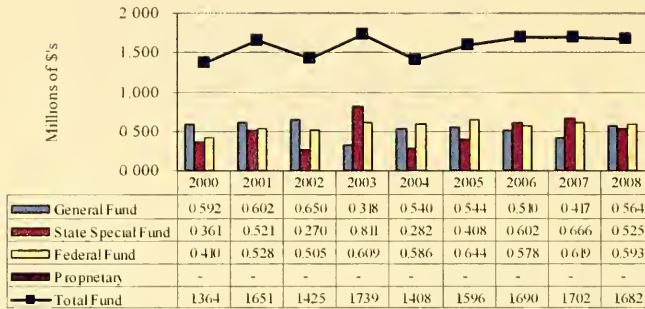


<i>Element</i>	<i>1994</i>	<i>2007</i>	<i>Significance of Data</i>
Staff serving the state	11	7	Decreased funding or increased personnel services costs
Grant programs	12	8	Restructured programs to better serve cultural and artistic community
Conferences, other programs and services	9	114	Funding cuts forced reduction – less service to communities and schools
Arts Education - Services to communities and children served	65 – 31,600	187 – 23,100	Greater partnerships with rural arts groups – more schools served in fewer metro areas
Arts Education - Rural programs and counties served	32 - 15 counties	93 grants 43 counties	Reflects better outreach to eastern Montana
MAC grants & awards	140 - \$572,503	149 - \$516,000	Increased need and workload / less money to grant
C&A grants funded	99	82	Less funding, fewer awards
C&A grant awards	\$1,332,255	\$792,925	Decrease funding
C&A amount requested	\$3,269,000	\$2,097,103	Limited funding = scaled back requests

Expenditure History



Montana Arts Council Funding History



Reasons for Expenditure Growth/Change



- General Fund – the average growth rate for general fund expenditures was –0.6 percent for the period of 2000 through 2008, primarily because funds from the Cultural and Aesthetics Trust Fund and Lodging Facilities Use Taxes were used in FY 2003 to offset general fund costs. The legislature approved increased general fund support of MAC beginning in FY 2004.
- State Special Fund – the expenditures funded by state special funds increased by 4.8 percent overall for the period of 2000 through 2008. Changes from year to year are mostly due to the varying amounts of support from the Cultural and Aesthetics Trust Fund described in the preceding paragraph and the subsequent reimbursement of the majority of the funds used to purchase Virginia and Nevada cities in FY 2006 and FY 2008. Lodging facilities use taxes were also provided in FY 2003 to offset a reduction in general fund support to due financial constraints.
- Federal Fund – federal funds vary depending upon grants received from the National Endowment for the Arts, which primarily fund grants to Montana communities.

Agency Functions, State Purposes, & Customers Served

The agency is structured to perform certain functions in support of general state government purposes. The following lists the major functions, purpose of provision of the functions, and primary customers served.

State Purposes	Major Agency Functions	Customers
<i>The preservation and enhancement of cultural resources including those related to education and recreation</i>	Provide grants and technical support to individuals and institutions to promote arts within the state.	Montana art community and general public



How the Legislature Can Effect Change

In order to change expenditure levels and/or agency activity, the legislature must address one or more of the following basis elements that drive costs.

In order to change expenditure levels and/or activity, the legislature might address legislation:

- Governing the existence, definition, and funding of the Montana Arts Council
- Impacting the council staff such as consultation with and support of local communities; applying for, accepting and expending grant funds; and providing services for the educational community
- Relating to the Cultural Trust

The legislature is less likely to control:

- Federal legislation or funding for the arts
- Initiatives or legislation responding to citizen action
- Growth in web-based or long distance access to information and/or grant applications, or other changes in technology that serves the art community
- The number of Montana citizens needing this service from year to year
- Economic changes related to costs of utilities, rent, and transportation



Statewide Factors with Impact

In addition to the factors above, a number of factors common to many agencies will also impact changes in expenditures over time.

Because the Arts Council serves Montana and its art community, personal service costs are the primary influence that drives expenditures. These factors include the state pay plan and benefits, workers' compensation, and unemployment insurance.

Other factors driving expenses include changes in statewide fixed costs such as inflation/deflation and the cost to maintain and remain current with technology.



Statutory References

The primary statutory references defining duties and responsibilities of the department are found at the following locations.

The Montana Arts Council is authorized by Title 22-2-101, MCA
The Cultural and Aesthetic Grant Program is defined in 15-35-108,
and 22-2-304, MCA

22-4-401 through 408, MCA governs the Art for State Buildings
15-65-121 covers the Distribution of the Accommodations tax

Alternative accessible formats of this document will be provided upon request. For further information, call the Legislative Fiscal Division @ 444-2986 or visit our web site @ <http://www.leg.mt.gov/css/fiscal>



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